IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX REFERENCE NO.112 OF 1996

Commissioner of Income-tax,
Bombay City III .. Applicant.
V/s.
M/s.D.S.P. Financial
Consultants Limited .. Respondent.

Mr.R.V. Desai, senior counsel with Mr.A.S. Rao for the applicant.

CORAM : S. RADHAKRISHNAN &
J.P. DEVADHAR, JJ.

DATED : 7TH MARCH, 2005.

P.C. :

1. Heard learned counsel for the application. The question of law referred to reads as under :

> Whether on the facts and in the circumstances of the case, the Tribunal was right in law in holding that the assessee is entitled to investment allowance u/s.32A of the Income Tax Act, 1961 in respect of plant and machinery given on lease by the assessee company and not used by the assessee for purpose of business of construction manufacture of production of any article or thing ?

2. The learned counsel for the applicant fairly states that the issue is squarely covered by the judgment of the Supreme court in the case of **CIT V/s. 1.Shaan Finance (P) Ltd. 2. First Leasing Co. of India Ltd. [231 ITR 308].**

3. In view thereof, the question is answered in the affirmative in favour of the assessee against the revenue.

(S. RADHAKRISHNAN, J.)

(J.P. DEVADHAR, J.)